

EUCALYPTUS GROVES

FINANCIAL & BUDGET

	2001 BUDGET	"Projected" 2000 ACTUAL	1999 ACTUAL	1998 ACTUAL	1997 ACTUAL
-- REVENUES --					
OWNER ASSESSMENTS	\$382,344.00	\$347,976.00	\$321,739.59	\$320,036.21	\$323,686.45
SPECIAL ASSESSMENT	0.00	3,216.00	82,559.80	0.00	0.00
INTEREST INCOME	19,000.00	16,000.00	13,025.89	15,065.31	N/A
OTHER INCOME	0.00	1,300.00	1,331.99	1,718.40	1,981.00
TOTAL REVENUE	\$401,344.00	\$368,492.00	\$418,657.27	\$336,819.92	\$325,667.45
-- EXPENDITURES --					
CLEANING	\$9,000.00	\$8,000.00	\$7,935.00	\$8,785.00	\$6,790.00
ELECTRIC	18,000.00	15,000.00	14,712.49	14,145.09	15,351.85
LANDSCAPING	53,000.00	53,000.00	50,697.60	50,697.60	50,734.60
LANDSCAPING SUPPLY/EXTRAS	8,000.00	6,000.00	5,560.00	4,750.25	8,204.85
MANAGEMENT	18,900.00	18,360.00	17,904.00	17,388.00	16,968.00
PAINTING	1,000.00	2,500.00	186.97	658.34	868.75
POOL MAINT & SUPPLIES	10,000.00	9,000.00	8,733.77	10,149.34	10,577.95
POOL HEATING (GAS)	6,000.00	5,000.00	4,896.20	5,686.88	4,512.94
REPAIRS & MAINT	82,000.00	88,000.00	121,549.56	167,778.95	73,400.38
RUBBISH REMOVAL	35,000.00	35,000.00	29,161.42	27,277.17	27,290.87
PATROL/ALARM SERVICES	5,200.00	5,000.00	3,773.83	3,007.78	2,782.90
SUPPLIES	2,500.00	5,500.00	1,809.51	1,740.87	1,652.98
WATER & SEWER	12,000.00	12,000.00	10,565.32	12,089.69	14,739.16
INSURANCE	54,000.00	40,000.00	35,961.15	33,427.30	33,189.70
PEST CONTROL	3,000.00	1,000.00	259.00	3,175.00	4,651.00
PROFESSIONAL FEES	2,000.00	785.00	2,074.00	1,875.00	961.75
TELEPHONE (ENTRY GATE)	600.00	600.00	524.48	532.56	564.91
TAXES	3,500.00	1,740.00	2,250.00	3,790.00	1,622.00
MISCELLANEOUS	1,500.00	1,000.00	2,318.92	1,197.60	1,294.17
TOTAL	\$325,200.00	\$307,485.00	\$320,873.22	\$368,152.42	\$276,158.76
Reserve Expenditures	52,100.00	17,000.00	21,804.81	36,172.41	0.00
TOTAL EXPENDITURES	\$377,300.00	\$324,485.00	\$342,678.03	\$404,324.83	\$276,158.76
RESERVE Increase (Decrease)	24,044.00	44,007.00	75,979.24	(67,504.91)	49,508.69
TOTAL FUNDS NEEDED	\$401,344.00	\$368,492.00	\$418,657.27	\$336,819.92	\$325,667.45

MONTHLY FEES: In order to meet this budget, the monthly fees (assessments) will be:

(179 Units)

\$178.00 EFFECTIVE JANUARY 1, 2001

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Note: Units paying fees after the 15th day of the Month, will be charged a late charge of 10% of the amount due.

SPECIAL ASSESSMENT: No Special Assessment is anticipated in 2001.

"Projected"				
FUNDS AVAILABLE:	CalFed Bank	\$100,000.00		
12/31/99	1st Bank	98,000.00		
	Goleta Nat Bank	100,000.00		
	Palomar bank	94,000.00		
	Operating Account	15,000.00	TOTAL	\$407,000.00
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EUCALYPTUS GROVES (Cont)

DELINQUENCY & LIEN POLICY: Unless otherwise stated all fees and assessments (including special assessments) are due on the first day of each month, in advance, and shall be delinquent 15 days after the due date. A late charge of 10% of the delinquent fee or assessment will be charged and added to the amount due. If fees, assessments, and/or late charges are unpaid at the end of any given month, a lien will be filed against the delinquent unit for the full amount due plus applicable interest, attorney fees, lien filing costs and other costs of collection. If the balance due is not paid within thirty (30) days after the lien is filed, the Association may file suit for all appropriate causes of action including, but not limited to, foreclosing the lien.

MAJOR REPAIRS AND REPLACEMENTS:

The following cost estimates and reserve analysis is

based on a reserve study which is reviewed by the Board of Directors each year to account for inflation and planning changes:

ITEM-Expected Life	EXPECTED DATE DUE	EXPECTED COST	REQUIRED IN RESERVE 12/31/00	BALANCE NEEDED	2001 ADDITIONS	PROJ. BAL. 12/31/01
Entry Telephone-14	2001	\$4,000	\$4,000	\$0	(\$4,000)	\$0
Repaint Trim/Misc-5	2000	6,400	6,400	0	(6,400)	0
Retile Jacuzzi-15	2001	2,700	2,700	0	(2,700)	0
Tree Trimming -3	2001	15,000	15,000	0	(15,000)	0
Landing/Railing Maint-15	2001	24,000	24,000	0	(24,000)	0
Seal Coat/Repair Drives-4	2003	12,000	3,000	9,000	3,000	6,000
Split Rail Fence-16	2002	3,400	3,190	210	210	3,400
Pool/Spa Equipment-12	2003	5,000	3,800	1,200	400	4,200
Repaving-20	2003	50,500	42,925	7,575	2,525	45,450
Cabana Ext. Tile-20	2005	3,800	2,850	950	190	3,040
Entry Gate Operator-12	2012	4,800	0	4,800	400	400
Ext. Wood/Metal Repaint.-10	2005	178,000	106,800	71,200	17,800	124,600
Replaster Pool-12	2005	6,000	3,500	2,500	500	4,000
Wrought Iron Fence-20	2005	16,800	12,600	4,200	840	13,440
Repl Shingle Roofs-20	2006	176,000	132,000	44,000	8,800	140,800
Cabana Sauna-12	2008	5,000	1,800	3,200	400	2,200
Cabana Int. Tile-30	2015	3,900	1,950	1,950	130	2,080
Gutters/Downspouts-30	2015	35,400	17,700	17,700	1,180	18,880
Replace Carport Roofs-30	2015	110,000	56,000	54,000	3,600	59,600
Termite Fumigation-30	2015	62,400	31,200	31,200	2,080	33,280
Bridge Replacement-30	2019	16,000	6,460	9,540	530	6,990
Reserve Surplus (Shortage)			(70,875)	70,875	33,559	(37,316)
TOTALS		\$741,100	\$407,000	\$334,100	\$24,044	\$431,044

Ratio of actual cash reserves on hand to estimated
cash reserves currently required

85.2%

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Projected Ratio
at Year-End

92.0%

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PRIOR ADR REQUIRED: Each year the association is required to disclose that before an association or member files a lawsuit to enforce the governing documents, (other than for the collection of assessments), the parties must attempt to resolve the dispute by use of Alternative Dispute Resolution. "Failure of any member of the Association to comply with the prefiling requirements of Section 1354 of the Civil Code may result in the loss of your rights to sue the association or another member of the association regarding enforcement of the governing documents."

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MINUTES AVAILABLE: Each year the Association is required to disclose that minutes for all Association or Directors' meetings are available to all owners. The cost, if any, of providing copies of the minutes is to be paid by the requester.

INSURANCE: California Civil Code Section 1365 requires an annual insurance disclosure of the Association's insurance as follows:

GENERAL LIABILITY INSURANCE:

Company: Allstate Insurance Company
Coverage: \$2,000,000 Per Occurance
Umbrella: \$1,000,000 Per Occurance

Anniversary Date: November 15th

Deductible: None

Anniversary Date: March 5th

PROPERTY INSURANCE:

Company: Allstate Insurance Company
Coverage: \$11,311,000

Anniversary Date: November 15th

Deductible: \$1,000

EARTHQUAKE INSURANCE:

Company: Allstate Insurance Company
Coverage: \$ 11,311,000

Anniversary Date: November 15th

Deductible: 10% of the Insurance Coverage

FLOOD INSURANCE: The Association has none.

This summary of the association's policies of insurance provides only certain information, as required by subdivision (e) of Section 1365 of the Civil Code, and should not be considered a substitute for the complete policy terms and conditions contained in the actual policies of insurance. Any association member may, upon request and payment of reasonable duplication charges, obtain copies of those policies. Although the association maintains the policies of insurance specified in this summary, the association's policies of insurance may not cover your property, including personal property, or real property improvements to or around your dwelling, or personal injuries or other losses that occur within or around your dwelling. Even if a loss is covered, you may nevertheless be responsible for paying all or a portion of any deductible that applies. Association members should consult with their individual insurance broker or agent for appropriate coverage.

-- CURRENT NOTES --

IN 1996:

1. Siding and Dryrot repaired on units 106, 212, 312, 112, 202, 302, 241, 341, 128, 257, & 357 (Approx \$32,200).
2. Trees were trimmed in Phase 2 & 3 (Approx \$13,600).
3. Asphalt was sealcoated & carwash area was converted to a concrete pad (Approx \$12,900).
4. Photo sensors were installed to replace light timers (Approx \$2,800).
6. Sauna heater was replaced (Approx \$1,200).
7. Elevated common walkways were repaired (Approx \$1,750).
8. Three, double post lamps were installed in Phase 3 parking lot (Approx \$9,500).
9. Balance of 1995 painting was paid (Approx \$24,500).
10. The Board determined that "Creekbed Eroision Work" for which a reserve had been established, would not be necessary in the foreseeable future and was eliminated as a reserve item.
11. Termites at 7630 #339 were eliminated using thermal treatment (Approx \$1,600).
2. Water heater at pool was replaced (Approx \$2,000).
3. Siding & Dryrot was repaired at #255 & 256 (Approx \$11,150).

EUCALYPTUS GROVES (Cont)

IN 1997:

1. Dryrot repairs were made to balconies for units 106, 212, 306, 312, 323, (Approx \$9,300).
2. Dryrot repairs were made to siding near #258, 103, 104, 206, & 306 (Approx \$13,700).
3. Caps and rails on all buildings were caulked (Approx \$3,000).
4. Front directory refurbished and signs added (Approx \$1,500).
5. Roofs were inspected-flashings & vent pipes were sealed (Approx \$2,200).
6. Rotted sidings and caps on bridge repaired (Approx \$1,700).
7. French Drain installed near unit #112 (Approx \$2,600).
8. Exteriors and subareas of buildings were inspected for termites (Approx \$3,900).
9. A tree wall was installed at 7630 (Approx \$1,400).
10. Root crown excavation performed on 7 eucalyptus trees (Approx. \$1,800).
11. Dry rot repairs were made to sidings of 112, 223, & 323 (Approx \$12,000).

IN 1998:

1. A reserve study was done by Kurkowski & Assoc (Approx \$1,065).
2. Spot treatment for termites at 7606, 10, 20, 28, 30, 32, & 34 (Approx \$1,700).
3. Removed 5 eucalyptus trees along RR tracks, removed trees due to storms & safety pruned trees throughout (Approx \$26,700).
4. Entry gate was hit by a vehicle and replaced (Approx \$2,100 paid by insurance).
5. Dryrot was repaired at 7602 #203 & 303, 7634 #255, 354 & 355 (Approx \$21,600).
6. Waterproofed and installed french drain at 7606 #104 (Approx \$12,300).
7. At 7610 #108 & 109, installed french drain, waterproofed siding, removed excess soil under bldg & replaced walks (Approx \$18,600).
8. Repaired dryrotted staircase & siding at 7606 #211 (Approx \$12,500).
9. At 7632 #250 & 350 dryrot was repaired and deck resurfaced (Approx \$12,700).
10. Pool filter was replaced (Approx \$1,400).
11. Spa filter replaced (Approx \$1,400).
12. At 7638 #133, french drain installed & siding waterproofed (Approx \$12,500).
13. At 7638 #367, dryrot siding repaired & common deck resurfaced (Approx \$8,000).
14. At 7602 #101 & 7640 #135 - French drain installed & siding waterproofed (Approx \$25,000 of which \$14,000 to be paid in 1999).
15. Entry gate open replaced (Approx \$2,400 to be paid in 1999).
16. Replaced pool skimmer (Approx \$1,650).
17. Replaced pool heater & jacuzzi heater (Approx \$5,100).
18. Dryrot was repaired at units #332, 342, & 358 (Approx \$10,600).

IN 1999:

1. Dryrot was repaired at units #105, 210, 211, 239, 302, 310, 311, 339, 342, 348, & 349 (Approx. \$75,700).
2. Building 7630 was fumigated for termites (Approx \$4,500).
3. Common decks were resurfaced at units 326, 327, 341 (Approx \$2,400).
4. Asphalt was sealed (Approx \$11,600).
5. Trees near 7602, 7606, & 7636 were trimmed (Approx \$2,800).
6. Because of unanticipated costs of correcting dryrot, a reserve shortfall existed at the end of the year. The Board has budgeted to eliminate the shortfall within three years.
7. Dry rot repair stairs, siding & decks #210, 302, & 310 (Approx \$28,000).
8. Common deck resurfaced at #358 & 359 (Approx \$1,050).
9. Trees trimmed around 7602, 7606, & 7636 (Approx \$2,800).

IN 2000:

1. Spa jet pumps replaced (Approx. \$1,600).
2. Gate operating system replaced (Approx \$3,300).
3. Dryrot repaired at #124, #314, #315, #316, & #317 (Approx \$41,300).
4. Building 7606 fumigated for termites (Approx \$4,900).
5. Main Sewer lines cleared (Approx \$3,000).
6. Fire extinguishers installed at all buildings required by fire dept. (Approx \$4,000).
7. Phone circuit board at entry gate replaced (Approx \$1,000).